COMMITTEE ON HEALTH, HOSPITALS AND HUMAN SERVICES

10/10/2024-REPORTED OUT TO THE FLOOR 09/11/2024-AMENDED AND REPORTED OUT TO THE COMMITTEE ON RULES AND JUDICIARY 08/29/2024-REASSIGNED TO THE COMMITTEE ON ECONOMIC DEVELOPMENT AND AGRICULTURE

BILL NO. 35-0283

Thirty-Fifth Legislature of the Virgin Islands

June 20, 2024
An Act amending title 19 Virgin Islands Code, part III, chapter 34, the Virgin Islands Cannabis Use Act
PROPOSED BY: Senators Donna A. Frett-Gregory and Javan E. James, Sr.
Be it enacted by the Legislature of the Virgin Islands:
SECTION 1. Title 19 Virgin Islands Code, part III, chapter 34 is amended in the
following instances:
(a) Section 776 is amended:
(1) In subsection (c) by inserting ", Sacramental Use Cultivation" after
"Caregiver Card";
(2) In subsection (i) by striking "or" and inserting a comma, and by inserting ",
and Adult Use Lounge Permittee" after "Micro-Cultivation Permittee";
(3) In subsection (w) by striking "or a" before "Designated" and inserting a
comma, and by inserting ", and Sacramental User authorized to grow for personal
sacramental use" after "Caregiver";

In subsection (ee) by inserting "or Designated Caregiver" after "Patient";

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(4)

1	(5) In subsection (hh) by striking all language after "means" and inserting "a
2	crime that was classified as a felony in the jurisdiction where the person was convicted,
3	but not including an offense that consisted of conduct that under this chapter would not
4	have resulted in a conviction."
5	(6) In subsection (aaaa) by inserting at the end of the subsection "A Sacramental
6	User who desires to grow Cannabis in furtherance of the sacramental use of Cannabis
7	must register with the OCR pursuant to the requirements of this chapter and the rules of
8	the OCR."; and
9	(7) By inserting the following definition in the appropriate alphabetical order:
10	"Adult Use" or "Adult User" means the use of cannabis by persons over the
11	age of 21."
12	(b) Section 777 is amended:
13	(1) In subsection (b) as follows:
14	(A) Paragraph (1) is amended by striking the existing language and
15	inserting the following:
16	"The Board is comprised of the Commissioner of the Departments of
17	Health, Agriculture, Licensing and Consumer Affairs and Tourism, as ex-
18	officio voting members; one farmer recommended by the Local Food and
19	Farm Council who is unaffiliated with any Cannabis Business Licensees or
20	Permittees or Practitioners; two healthcare practitioners recommended by the
21	Board of Medical Examiners who are knowledgeable in Cannabis medicine;
22	a member of the business community who is unaffiliated with any Cannabis
23	Business Licensees or Permittees or Practitioners; one disability advocate;
24	one representative from the University of the Virgin Islands; one economist

or a person with expertise in finance; and the Director of the OCR who serves

as an ex officio non-voting member. The term of each member's appointment

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is three years and each shall serve and be enabled to vote and be qualified to meet a quorum until a successor is appointed and qualified.

(B) By adding paragraphs (6), (7), and (8) to read:

- "(6) There is no monetary liability, and no cause of action for damages as a result of any act, omission, proceeding, conduct or decision related to duties undertaken or performed in good faith and within the scope of the function of the Board against any current or former member, officer, administrator, staff member, representative, agent, employee, consultant, witness or any other person serving or having served on the Board, either as a part of the Board's operation or as an individual.
- (7) Any officer, employee, or any other person serving or having served the Board who has to defend against any claim or action arising out of any act or acts that were performed in good faith within the scope of the function of the Board may request in writing, within ten days of service, that the Government defend the action. If the person requesting defense cooperates in good faith in the defense of the claim or action, the Government shall provide and pay for such defense and any resulting judgment, compromise, or settlement.
- (8) All communication made by or on behalf of any person, institution, agency, or organization to the Board or to any person designated by the Board relating to an investigation or the initiation of an investigation, whether by way of report, complaint or statement, is privileged. No action or proceeding, civil or criminal, is permitted against a person, institution, agency or organization when a good faith communication was made either on its own behalf or on behalf of another. The protections afforded in this section does not abridge a party's right to due process.";

1		(2)	In subsection (c)(4) by striking the first instance of "cannabis" and inserting
2	"Can	ınabis	Business";
3		(3)	In subsection (f) by striking "enactment of" and inserting "promulgation and
4	adop	tion o	f Rules pursuant to".;
5		(4)	In subsection (h) by striking "Committee on Health;"
6		(5)	In subsection (k) by striking the second sentence;
7	(c)	Secti	on 779 is amended:
8		(1)	In subsection (c)(1) by striking "there may be no more than" and inserting "
9	not n	nore tl	nan"; and inserting "are permitted" after "12 Immature Cannibis Plants" and
10		(2)	In subsection (d)(4) by striking "1,000" and inserting "250", "by striking
11	' 500'	' when	re it appears and inserting '250", and by striking "not less than" wherever it
12	appe	ars an	d inserting "within".
13	(d)	Secti	on 780 is amended:
14		(1)	In subsection (h) by striking "six months" and inserting "thirty days", by
15	striki	ing "n	nore than" and inserting "or more" after "45 days", and by striking "45" and
16	inser	ting "	30";
17		(2)	In subsection (i)(3) is amended by striking "Patient Registry" and inserting
18	"Cer	tificat	ion";
19		(3)	In subsection (s) by striking "a" before "copy" and inserting "an OCR
20	stam	ped",	and by inserting "for not more than 30 days or until the application is rejected,
21	whic	hever	is sooner" at the end of the subsection; and
22		(4)	In subsection (t) by striking "a" before "copy" and inserting "an OCR
23	stam	ped";	by inserting "for not more than 30 days or until the application is rejected,
24	whic	hever	is sooner" at the end of the subsection.
25	(e)	Secti	on 783 is amended:
26		(1)	In subsection (b) by striking "18" and inserting "21";

1	(2) In subsection (b)(1) by inserting "or" after "Items";
2	(3) In subsection (b) by striking paragraph (2) and renumbering the remaining
3	paragra	aphs accordingly;
4	(4) By striking sucsection (c) and redesignating the remaining subsections
5	accord	ingly;
6	(5) In subsection (i) by striking "valid" and inserting "Medical"; and
7	(6) By striking "a privileged license" and inserting "the Qualified Patient's
8	Medic	al Cannabis Certification".
9	(f) S	Section 784 is amended:
.0	(1) In subsection (a), and paragrapghs (1), (2), and (3) by striking each instance
.1	of "per	rson" and inserting "qualified patient", in paragraph (1) by striking "person's" and
.2	inserti	ng "Qualified Patient's", and in paragraph (3) by striking each instance of
.3	"indivi	dual's" and inserting "Qualified Patient's";
.4	(2) In subsection (b), paragraph (1) by striking "person" and inserting "qualified
.5	patient	", and in paragraph (2) by striking each instance of "individual" and inserting
.6	"qualit	fied patient"; and
.7	(3) In subsection (c) by striking "an" and inserting "a" and by striking each
.8	instanc	ee of "individual" and inserting "qualified patient".
.9	(g) S	Section 787 is amended as follows:
.0	(1) In subsection (f) by inserting ", subject to the authorization of the Legislature
1	and ap	proval of the Governor" at the end of the subsection; and
2	(2) In subsection (g)(1) by inserting "than" after the word "later", and by
13	inserti	ng "for scoring applications using the Merit-Based Application Process" after
24	"criter	ia".
.5	(h) S	Section 790(b)(2) by stricken and new section 790(b)(2) is inserted that reads:
26	6	The ownership of a Micro Cultivation Permit is not transferable "

1	(i) Section 791, subsection (c) in paragraph (9) is amended by inserting "OCR
2	Enforcement Officer, Law Enforcement Officer on official business," before the word
3	"Consultant"; subsections (e) and (f) are amended by capitalizing "licensees" where it appears
4	at the beginning of each subsection; and in subsection (f) by striking "shall not be" and inserting
5	"are not".
6	(j) Section 792 is amended:
7	(1) In subsection (b), paragraphs (1) and (3) by striking "may not be" and
8	inserting "is not", and by striking "not less than" and inserting "within"; and
9	(2) In subsection (b) paragraph (3) is amended by striking the last sentence.
.0	(k) Section 793 is amended:
.1	(1) In subsection (a) by striking "may" and inserting "shall";
.2	(2) In subsection (b) by striking "less than" and inserting "within";
.3	(3) In subsection (b)(1) by striking "may not be" and inserting " is not" and by
.4	striking "not located less than" and inserting "within";
.5	(4) In subsection (c) by striking "less than" and inserting "within", and by
.6	striking the last sentence in the subsection;
.7	(5) In subsection (k) by inserting ", with the authorization of the Legislature and
.8	approval of the Governor" at the end of the subsection.
.9	(1) Section 794 is amended:
20	(1) In subsection (a)(2) by by striking "must" and inserting "shall" and inserting
1	"Designated" before the word "Caregiver";
2	(2) In subsection (a)(3) is amended by striking "and", and by inserting "
!3	Designated Caregiver or, "after the word "Patient";
.4	(3) In subsection (d) by striking "and" after "Consultant" and after the second
!5	instance of "Patients" by inserting "Designated Caregiver, Adult Users, OCR
26	Enforcement Personnel, and other law enforcement officers on official business";

1		(4)	in subsection (n) by striking less than;
2		(5)	In subsection (h)(1) by striking "less than" and inserting "within", and by
3	striking "and 100 feet of a school";		
4		(6)	In subsection (i) by striking "less than" and inserting "within", and by striking
5	the l	ast sei	ntence of the subsection;
6		(7)	In subsection (l) by striking "individual" and inserting "Cannabis Business
7	Repi	resenta	ative";
8		(8)	In subsection (m) by inserting "and Qualified Caregivers" after "Patients";
9	and		
10		(9)	In subsection (o)(2) by adding an "s" to "Licensee".
11	(m)	Sect	ion 795 is amended:
12		(1)	In subsection (a) by striking "to and from other Cannabis Licensees" and
13	inse	rting "	between sites that are specified on the license";
14		(2)	In subsection (c) by inserting ", including live plants, fresh and dried plant
15	mate	erial, s	eeds, wax, oil, and manufactured items such as edibles and topicals" at the end
16	of th	e subs	section;
17		(3)	In subsection (h) by inserting "sell any Cannabis Items as described in
18	subs	ection	(f) of this section, and may not" after "may not";
19		(4)	By adding a subsection (i) that reads:
20			"(i) A Cannabis Research and Development Licensee may not give access
21		to th	e cannabis or sell to the general public any cannabis items that it grows, is
22		worl	king with, or researching."
23	(n)	Sect	ion 796 is amended:
24		(1)	In subsections (c) and (g) by striking "may" and inserting "shall"; and
25		(2)	In subsection (n) by striking "medical".
26	(o)	Sect	ion 797 is amended:

1	(1) In subsection (k) by striking congregate and inserting may be present;
2	(2) In subsection (m) and paragraph (1) by striking "less than 500" and inserting
3	"within 250";
4	(3) In subsection (m)(2) by striking "may" and inserting "shall";
5	(4) In subsection (m)(3) by striking "less than 1,000" and inserting "within 250",
6	and by inserting "the" before "primary"; and
7	(5) In subsection (n) by striking "may" and inserting "does".
8	(p) Section 798 is amended in subsection (c) by adding two paragraphs that read:
9	"(1) The OCR shall maintain a confidential list of the persons to whom the OCR
10	has issued Sacramental User Cards that includes their addresses, phone numbers, and
11	registry identification numbers. This confidential list may not be combined or linked in
12	any manner with any other list or database, nor may it be used for any purpose not
13	provided for in this chapter.
14	(2) The OCR shall establish a secure phone or web-based verification system.
15	The verification system must allow law enforcement personnel and Cannabis Businesses
16	to enter a registry identification number and determine whether the number corresponds
17	with a current, valid Sacramental User Card. The system must disclose only:
18	(a) whether the identification card is valid;
19	(b) the name of the cardholder;
20	(c) whether the cardholder is a Sacramental User; and
21	(d) whether the cardholder is permitted to cultivate Cannabis plants.
22	(q) Section 800 is amended by adding a subsection (f) that reads:
23	"(f) Unless prohibited by law, it is the intent of the Legislature that Cannabis
24	Research and Development Licensees are eligible for tax and other benefits provided
25	under the University of the Virgin Islands Research and Technology Park Corporation
26	Act, 17 V.I.C. 480, et. seq., and under the Enterprise Zone Program Act, 29 V.I.C.,

1	chapter 19, provided that the business or enterprise would otherwise qualify for these
2	benefits under the provisions of the University of the Virgin Islands Research and
3	Technology Park Corporation Act, 17 V.I.C. 480, et. seq., or Enterprise Zone Program
4	Act, 29 V.I.C., chapter 19, as applicable, and any regulations promulgated thereunder for
5	research and development and technology development and other knowledge-based
6	purposes and uses or activities within an Enterprise Zone."
7	(r) Section 800a is amended:

- 8 (1) In subsection (a), paragraphs (3) and (4) by striking the periods at the end of the paragraphs and inserting semicolons; and 9
 - In subsection (a)(5) by inserting "and" after "issues;" (2)
 - Section 800b is amended: (s)

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- In subsection (b) by striking "more than" and inserting "or more" after (1) 12 "days"; 13
- In subsection (d) by redesignating paragraph (5) as subsection (e), and (2) 14 redesignating the remaining subsection accordingly. 15
- (t) Section 800e is amended by striking subsection (e) and inserting a new subsection 16 (e) to read: 17
- "(e) All fines described in this section, must be deposited into the Cannabis Fund 18 for use by the OCR as set forth in § 801." 19
- Section 800f is amended in subsection (c) by striking "\$1,500" and inserting 20 (u) "\$100". 21
- Section 800h is amended by striking "more than" and inserting "or more" after 22 (v) "days", and by striking ", including public notice and hearing" at the end of the third sentence. 23
- 24 **SECTION 2.** (a) Sections 788(b)(3), 788(b)(4), 788(b)(5), 788(b)(6), 790(b)(2), and are amended by striking the word "may" and inserting "shall". 25

- **SECTION 3.** The three-year term of the members appointed under the predecessor,
- 2 Virgin Islands Medicinal Cannabis Patient Care Act, began anew on the January 18, 2023. All
- 3 action taken by the Board prior to the effective date of this act and under the authority of the
- 4 predecessor, Virgin Islands Medicinal Cannabis Patient Care Act, are ratified.

5 <u>BILL SUMMARY</u>

- This bill amends Title 19 Virgin Islands Code, part III, chapter 34 cited as the Virgin
- 7 Islands Cannabis Use Act.
- 8 BR23-0286/May 28, 2024/LMW/Revised/June 18, 2024